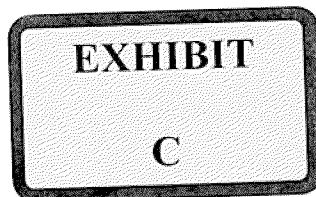


In re:	)	
	)	
WAREHOUSE 86, LLC	)	CASE NO. 08-03423-EE
	)	Chapter 11
Debtor	)	
	)	

This matter came on for hearing on the *Joint Motion for Authority to Deposit Insurance Proceeds into the Registry of the Court in Contemplation of the Filing of a Complaint for Declaratory Judgment* (Dkt. # 181) (the “Joint Motion”). The Court considered the Joint Motion and finds and orders as follows:

1. On November 4, 2008, the Debtor filed its Voluntary Petition under Chapter 11 of the Title 11 United States Code.
2. Warehouse 86 was the owner of and the named insured in that certain commercial property insurance policy numbered 3A2-22-78-08, issued by Employers Mutual Casualty Company (“EMC”) with effective dates from April 15, 2007 to April 15, 2008 (the “Policy”). SCK was named as a loss payee under the Policy.
3. On or about February 5, 2008, the Debtor’s corporate offices and its primary warehouse and distribution center at its Southaven, Mississippi location (the “Location”) and personal property located therein were damaged by a tornado. On or about February 11, 2008, the Location and personal property located therein were damaged by a fire.



4. The Movants received the following checks from EMC payable jointly to Debtor and to SC Kiosks, Inc., each of which checks has been endorsed by the payee or its agent:

Date	Payees	Check Number	Amount
07/23/2009	Warehouse 86, LLC and SC Kiosks, Inc.	H03305822	\$1,060,000.00
08/12/2009	Warehouse 86, LLC and SC Kiosks, Inc.	H03306059	\$979,882.35
08/12/2009	Warehouse 86, LLC and SC Kiosks, Inc.	H03306060	\$50,000.00
		Total	\$2,089,882.35

5. The total amount of the checks listed above is \$2,089,882.35 (the “Insurance Proceeds”).

6. The Debtor anticipates filing within a short period of time a motion for authority to compromise and settle the claims against EMC under the Policy for the amount of the Insurance Proceeds (the “Motion to Compromise”).

7. A dispute exists between the Debtor and SCK as to the right of each party to the Insurance Proceeds.

8. The Debtor and/or SCK anticipate filing a Complaint for Declaratory Judgment to ask the Court to determine the rights of each party to the Insurance Proceeds (the “Declaratory Judgment Action”).

9. In the meantime, the Debtor and SCK have agreed to deposit the funds from the checks representing the Insurance Proceeds into the registry of the Court pending the resolution of the Motion to Compromise and the Declaratory Judgment Action, and further that the funds shall remain in the registry of the Court until entry of a final order regarding the disbursement of the Insurance Proceeds, and any accrued interest (net of expenses).

10. By the deposit of these funds into the registry of the Court, the Movants reserve all rights, claims, remedies, interests, defenses and objections.

**Ed Pitts**

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**U.S. Bankruptcy Court**

**Southern District of Mississippi**

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The following transaction was received from Nations, Mitzie entered on 8/26/2009 at 4:57 PM CDT and filed on 8/26/2009

**Case Name:** Warehouse 86, LLC

**Case Number:** 08-03423-ee

**Document Number:**

**Docket Text:**

Receipt Number 131068, Fee Amount \$979,882.35 (RE: related document(s)[184] Order on Motion to Deposit Funds into Court Registry) (Nations, Mitzie)

The following document(s) are associated with this transaction:

**08-03423-ee Notice will be electronically mailed to:**

R. Michael Bolen  
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John A. Crawford on behalf of Debtor In Possession Warehouse 86, LLC  
jack.crawford@butlersnow.com, joyce.smith@butlersnow.com;ecf.notices@butlersnow.com

Heather Stamper Deaton on behalf of Creditor Mississippi State Tax Commission, Legal Division  
hdeaton@mstc.state.ms.us

Gill Geldreich on behalf of Creditor Tennessee Dept of Revenue  
agbankcal@ag.tn.gov, gill.geldreich@ag.tn.gov

Ronald H. McAlpin on behalf of U.S. Trustee R. Bolen  
ronald.mcalpin@usdoj.gov

James A. McCullough on behalf of Creditor Overstock.com, Inc.  
[jmccullough@brunini.com](mailto:jmccullough@brunini.com)

Richard A. Montague on behalf of Creditor Stuart Irby  
[rmontague@wellsmoore.com](mailto:rmontague@wellsmoore.com), [inman@wellsmoore.com](mailto:inman@wellsmoore.com), [little@wellsmoore.com](mailto:little@wellsmoore.com)

Stephen W. Rosenblatt on behalf of Accountant Paul Calhoun  
[Steve.Rosenblatt@butlersnow.com](mailto:Steve.Rosenblatt@butlersnow.com), [onida.huhn@butlersnow.com](mailto:onida.huhn@butlersnow.com); [ecf.notices@butlersnow.com](mailto:ecf.notices@butlersnow.com)

Larry Spencer on behalf of Creditor Fifth Third Bank  
[lspencerlawyer@aol.com](mailto:lspencerlawyer@aol.com)

Marcus M. Wilson on behalf of Creditor RadioShack Corporation and SC Kiosks, Inc.  
[mwilson@blswlaw.com](mailto:mwilson@blswlaw.com), [kp@pgrwlaw.com](mailto:kp@pgrwlaw.com)

**08-03423-ee Notice will not be electronically mailed to:**

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Thousand Oaks, CA 91362-3320

Receivable Management Services  
c/o Phyllis A. Hayes  
307 International Circle, Ste 270  
Hunt Valley, MD 21030

**Ed Pitts**

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**From:** cmecfhelpdesk@mssb.uscourts.gov  
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**Southern District of Mississippi**

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The following transaction was received from Nations, Mitzie entered on 8/26/2009 at 4:58 PM CDT and filed on 8/26/2009

**Case Name:** Warehouse 86, LLC

**Case Number:** 08-03423-ee

**Document Number:**

**Docket Text:**

Receipt Number 131069, Fee Amount \$50,000.00 (RE: related document(s)[184] Order on Motion to Deposit Funds into Court Registry) (Nations, Mitzie)

The following document(s) are associated with this transaction:

**08-03423-ee Notice will be electronically mailed to:**

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USTPRegion05.JA.ECF@usdoj.gov

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jack.crawford@butlersnow.com, joyce.smith@butlersnow.com;ecf.notices@butlersnow.com

Heather Stamper Deaton on behalf of Creditor Mississippi State Tax Commission, Legal Division  
hdeaton@mstc.state.ms.us

Gill Geldreich on behalf of Creditor Tennessee Dept of Revenue  
agbankcal@ag.tn.gov, gill.geldreich@ag.tn.gov

Ronald H. McAlpin on behalf of U.S. Trustee R. Bolen  
ronald.mcalpin@usdoj.gov

James A. McCullough on behalf of Creditor Overstock.com, Inc.  
[jmccullough@brunini.com](mailto:jmccullough@brunini.com)

Richard A. Montague on behalf of Creditor Stuart Irby  
[rmontague@wellsmoore.com](mailto:rmontague@wellsmoore.com), [inman@wellsmoore.com](mailto:inman@wellsmoore.com), [little@wellsmoore.com](mailto:little@wellsmoore.com)

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[Steve.Rosenblatt@butlersnow.com](mailto:Steve.Rosenblatt@butlersnow.com), [onida.huhn@butlersnow.com](mailto:onida.huhn@butlersnow.com); [ecf.notices@butlersnow.com](mailto:ecf.notices@butlersnow.com)

Larry Spencer on behalf of Creditor Fifth Third Bank  
[lspencerlawyer@aol.com](mailto:lspencerlawyer@aol.com)

Marcus M. Wilson on behalf of Creditor RadioShack Corporation and SC Kiosks, Inc.  
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Receivable Management Services  
c/o Phyllis A. Hayes  
307 International Circle, Ste 270  
Hunt Valley, MD 21030

**Ed Pitts**

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**Case Name:** Warehouse 86, LLC

**Case Number:** 08-03423-ee

**Document Number:**

**Docket Text:**

Receipt Number 131070, Fee Amount \$999,999.00 (RE: related document(s)[184] Order on Motion to Deposit Funds into Court Registry) (Nations, Mitzie)

The following document(s) are associated with this transaction:

**08-03423-ee Notice will be electronically mailed to:**

R. Michael Bolen  
USTPRegion05.JA.ECF@usdoj.gov

John A. Crawford on behalf of Debtor In Possession Warehouse 86, LLC  
jack.crawford@butlersnow.com, joyce.smith@butlersnow.com;ecf.notices@butlersnow.com

Heather Stamper Deaton on behalf of Creditor Mississippi State Tax Commission, Legal Division  
hdeaton@mste.state.ms.us

Gill Geldreich on behalf of Creditor Tennessee Dept of Revenue  
agbankcal@ag.tn.gov, gill.geldreich@ag.tn.gov

Ronald H. McAlpin on behalf of U.S. Trustee R. Bolen  
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[rmontague@wellsmoore.com](mailto:rmontague@wellsmoore.com), [inman@wellsmoore.com](mailto:inman@wellsmoore.com), [little@wellsmoore.com](mailto:little@wellsmoore.com)

Stephen W. Rosenblatt on behalf of Accountant Paul Calhoun  
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Larry Spencer on behalf of Creditor Fifth Third Bank  
[lspencerlawyer@aol.com](mailto:lspencerlawyer@aol.com)

Marcus M. Wilson on behalf of Creditor RadioShack Corporation and SC Kiosks, Inc.  
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c/o Phyllis A. Hayes  
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Hunt Valley, MD 21030



**Ed Pitts**

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**Case Name:** Warehouse 86, LLC

**Case Number:** 08-03423-ee

**Document Number:**

**Docket Text:**

Receipt Number 131071, Fee Amount \$60,001.00 (RE: related document(s)[184] Order on Motion to Deposit Funds into Court Registry) (Nations, Mitzie)

The following document(s) are associated with this transaction:

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Gill Geldreich on behalf of Creditor Tennessee Dept of Revenue  
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Marcus M. Wilson on behalf of Creditor RadioShack Corporation and SC Kiosks, Inc.  
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